



State of California

Employment Training Panel

Arnold Schwarzenegger, Governor

January 29, 2009

Hamid Kowsari, President
New Technology Training Institute
3171 Casitas Avenue, Suite 145
Los Angeles, CA 90039

Dear Mr. Kowsari:

RE: FINAL MONITORING VISIT REPORT for New Technology Training Institute (NTTI) – ET07-0281

Date of the Visit:	1/7/09
Beginning/Ending Time:	9:00 a.m. – 11:00 a.m.
Date of Last Visit:	4/2/08
Visit Location:	Los Angeles
Persons in attendance:	Hamid Kowsari, President, NTTI Maro Samkian, Director of Administration, NTTI Marissa Tolentino, ETP Analyst
Action Required:	No

CONTRACT INFORMATION:

Term of Agreement:	1/30/07 – 1/29/09	Agreement Amount:	\$160,605
Training Start Date:	1/31/07	No. to Retain:	25
Date Training must be Completed:	9/1/08 or 10/31/08*	Range of Hours:	112 - 208
Type of Trainee:	New Hire/Welfare To Work	Weighted Ave. Hours:	n/a

**Training must be completed by August 2, 2008 to allow for the 500-hour retention period within 150 days, with up to three participating employers within the Agreement term; or October 31, 2008 to allow for the 90-day retention period within the Agreement term.*

FINAL REPORT SUMMARY:

The Agreement was executed on February 21, 2007 and training began on January 31, 2007. Your staff reported that all training was completed on October 18, 2008, which allows for the 90-day retention period to be completed within the term ending date of the Agreement – January 29, 2009.

SACRAMENTO CENTRAL OFFICE
1100 J Street, 4th Floor
SACRAMENTO, CA 95814
(916) 327-5640

N. HOLLYWOOD REGIONAL OFFICE
4640 Lankershim Blvd., Suite 311
NORTH HOLLYWOOD, CA 91602
(818) 755-1313

S.F. BAY AREA REGIONAL OFFICE
1065 East Hillsdale Blvd, Suite 415
FOSTER CITY, CA 94404
(650) 655-6930

SAN DIEGO REGIONAL OFFICE
5353 Mission Center Road, Suite 110
SAN DIEGO, CA 92108
(619) 686-1920

www.etp.ca.gov
ETP (04/15/05)

ETP approved the following Agreement Revisions:

1. Amendment No. 1 was executed on February 6, 2008. The amendment created Phase II, Job 3 to train 20 additional new hire trainees. This increased ETP funding to \$75,240.
2. Amendment No. 2 was executed on August 8, 2008. The amendment reduced the minimum wage for Jobs 1 and 3 trainees from \$18.00 to \$14.00.

On December 17, 2008, you submitted a Revision Request to extend the agreement term for three months so you can have trainees complete the required 90-day retention period. Ms. Tolentino advised you that the request is denied. ETP cannot extend the term of the agreement for more than 24 months.

Ms. Samkian reported that ETP training concluded on October 18, 2008, which allowed 20 trainees (13 Job 1 trainees and 7 Job 3 trainees) to complete the post-training retention period within the Agreement term. This is equivalent to a total reimbursement of \$75,240 (47% of the encumbered amount). Since you have been paid \$109,098 to date, you will have an overpayment of \$33,858 which will be handled at the fiscal closeout of this Agreement.

Ms. Tolentino informed you that you must return to ETP all unearned monies under this Agreement with statutory interest computed from the first day of the month following the date the funds are received (Reference: Item 6, page 5 of the Terms and Conditions).

You stated that you were not able to complete 100 % in this Agreement due to the deteriorating economic conditions and severe recession which affected placement and completion of the 90-day retention period. Although 39 trainees completed training, only 20 were hired as full-time regular employees. Four trainees who completed training on October 2008 were placed in December 2008 which was too late for them to complete the retention period by the end of the Agreement term. Fifteen trainees were either employed as consultants or failed to gain employment.

In spite of your low performance in this Agreement, you were able to get experience on how to administer an ETP Training Program which includes proper screening of prospective trainees. Also, you were able to develop relationships with workforce centers which you have used as a tool to promote NTTI's other training programs. You are confident that with the knowledge you obtained from this contract you will be successful on your next ETP Agreement. You indicated that ETP recordkeeping was not a problem.

PROJECT STATUS PROVIDED BY THE CONTRACTOR:

Job #	Max to Retain	Enrolled	Dropped	Completed Training & Retention	Cost per Trainee	Anticipated Total Earnings
1	20	27	14	13	\$3,762	\$48,906
2	5	0	0	0	\$2,025	\$0
3	20	25	18	7	\$3,762	\$26,334
TOTAL	45	52	32	20		\$75,240

You stated that the information found on the ETP Contract Status Report is in agreement with your statistics.

ATTENDANCE ROSTERS:

During this visit, Ms. Tolentino reviewed Class/Lab Rosters of six Job 1 trainees and 4 Job 3 trainees billed on Invoices 15 through 19 and 22 through 26. Rosters reviewed confirmed that the Agreement curriculum was provided as specified; verified that the ratio of one trainer to 15 New Hire trainees specified in the Agreement Training Plan was adhered to and validated the invoices for the completion of the required hours of training for enrollment and the Total Class/lab Training hours required in this Agreement. Ms. Tolentino advised you that the records reviewed were only a sampling of records; therefore, you should verify that all your records are in conformance with ETP requirements for auditing purposes. [Reference: Title 22 California Code of Regulations, Section 4442(b)]

AUDIT:

NTTI will be notified in writing if this agreement is selected for an audit, conducted either at your site (field audit) or by telephone (desk audit or "review"). The Audit Notification and Audit Confirmation letters will be sent in advance to allow ample preparation time and will include a list of documents that will be examined by the auditor. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

RECORD RETENTION:

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding this report, please contact Ms. Tolentino at (818) 755-1311 or by email at MTolentino@etp.ca.gov within ten (10) working days from the receipt of this letter.

Sincerely,

Signature on file

Dolores Kendrick, Manager
North Hollywood Regional Office

Signature on file

Marissa Tolentino, Monitoring Analyst
North Hollywood Regional Office

cc: David Guzman, Chief, Program Operations Division (via e-mail)
Kulbir Mayall, Manager, Fiscal and Certification (via e-mail)
Master File
Project File

Date report mailed to Contractor: 2/11/09